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| Signature of Sponsor | |
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AMEND Senate Bill No. 361*

House Bill No. 1528

by deleting Section 1 in its entirety and by substituting instead the following:

SECTION 1. Tennessee Code Annotated, Title 71, Chapter 5, Part 1, is amended by adding the following as a new section:

Section____. (a) Any drug covered by TennCare but prior authorized or otherwise restricted by an MCO or its subcontractor must be paid for by the MCO when the drug is medically necessary for a specific enrollee.

- (1) In reviewing the medical necessity of a new prescription, due deference shall be given to the clinical judgment of the patient's treating physician unless the standard drug compendia or peer-reviewed literature provides clear and convincing evidence that the prescribed drug does not provide a significant, clinically meaningful therapeutic advantage in terms of safety, effectiveness, or clinical outcome for treating the patient's condition.
- (2) Renewal or refill of a prescription that the treating physician considers a "maintenance medication" shall be considered medically necessary.
- (3) Each MCO shall comply with the TennCare Bureau's expedited authorization and appeals process for reviewing payment denials.
- (b) Each new chemical entity and each new dosage form of an existing chemical entity that is marketed under a Product Licensing Application or a New Drug

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Application (or supplement thereto), shall be available without prior authorization for a reasonable period of time after it is first marketed to provide the MCO and its participating physicians sufficient clinical experience to determine whether the drug provides a meaningful therapeutic advantage for treating enrollees.

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